GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

STARRED QUESTION NO:571
ANSWERED ON:31.08.2001
FM RADIO LICENCES
DR. KIRIT SOMAIYA

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the Government`s policy regarding FM radio licensing has been finalized;

(b) if so, the details thereof;

(c) whether Time Radio and some other bidders have raised objections;

(d) if so, the details thereof; and

(e) the details of the steps taken by the Government to tackle the situation?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING (SMT. SUSHMA SWARAJ)

(a) to (e): A Statement is laid on the Table of the House

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO.571 REGARDING FM RADIO LICENCES FOR ANSWER ON 31st AUGUST, 2001

(a) & (b): The Government has approved the policy for `FM Broadcasting ServiceThrough Private Agencies` which inter-alia included the following parameters:

(i) Expansion of FM radio broadcasting services, including Value Added Services in 40 centres;

(ii) The license shall be for fre-to-air broadcasts of music, education, entertainment and information and shall exclude News and Current Affairs;

(iii) The Licensee shall follow the Programme and Advertisement Standards and Codes.

(iv) The eligibility criteria and procedure of selection of licensees was also laid down.

(v) Companies eligible under the Scheme should be registered in Indiawith shareholding held by Indians except for limited shareholding by FII, NRI and OCB, subject to such ceiling as prescribed by the Ministry of Finance, from time to time.

(c) & (d): Some companies had represented that there were deviations in the terms and conditions of the Letter of Intent, as compared to the original Tender conditions. These points were clarified. List of companies who have defaulted in submission of Bank Guarantee and signing License Agreement and have asked for refund of advance reserve licence fee, is at ANNEXURE.

(e): 9 companies out of the list placed at Annexure have gone to Court and the matter is subjudice.

Annexure

Name of Companies who have defaulted and gone to courts or represnted to the Ministery for refund of reserve licence fee.

S.No. Name of Companies

1. New Media B`Casting Pvt. Ltd.

2. Vertex B`Casting Company Pvt. Ltd.

3. Indigo Radio Pvt. Ltd.

4. Hind B`Casting Co. Pvt. Ltd.

5. Magic Radio India Pvt. Ltd.
6. Dream Radio (India)Pvt. Ltd.

7 Kismat Radio (India)Pvt. Ltd.

8. Dhun Radio Pvt. Ltd.

9. Bollywood B`casting Pvt. LTD.
10. Observer Network Pvt. Ltd.
11. Nimbus Communications Ltd.
12. Neffs(India) Pvt. Ltd. Guwahati
13. Modi Entertainment Network, New Delhi
14. Raj Telefilms Ltd. Chennai